

## WILSON FOUNDATION MUST INCORPORATE

Mellon Confirms Blair's  
Ruling That Gifts to It  
Are Taxable.

HE NOTIFIES GLASS

Secretary Withholds For-  
mal Action So Remedy  
May Be Applied.

BY AN ACT OF CONGRESS

Case of Roosevelt Association  
Was Identical Before Organ-  
ization Was Perfected.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau,  
Washington, D. C., May 6.

The Woodrow Wilson Foundation must incorporate and otherwise perfect an organization to meet the requirements of the income tax law, if contributions made to it are to be deductible from income tax, Secretary Mellon decided today.

The Foundation, it is said, will proceed to draft articles of incorporation, having been assured by Secretary Mellon that a formal ruling on the question of tax exemption on gifts will be held in abeyance. Officials of the Foundation understood that friends of the Foundation in Congress may seek to have a special act of Congress passed to meet the objections raised by the Internal Revenue Bureau.

Secretary Mellon's decision, upholding Revenue Commissioner Blair's original ruling, purely on the legal merits of the issue presented, was made known by the Treasury Department after the Secretary called upon President Harding, Mr. Mellon advised Senator Glass of the action taken and sent to him a copy of a statement prepared by Commissioner Blair embodying his conclusions.

Like Roosevelt Association.

The Woodrow Wilson Foundation, according to Secretary Mellon, occupies the same legal status under the income tax law as did the Roosevelt Memorial Association, which in 1919 was held not to be a corporation and not in the class of associations whose contributors were entitled to exemptions for gifts made. The Roosevelt Association, however, by special act of Congress had this obstacle removed, and Commissioner Blair indicated that the Wilson Foundation could proceed along the same line and by that action fall within the statute providing that contributions of supporters are deductible.

Senator Glass expressed some disap-

pointment to-night over Secretary Mellon's decision. The Senator said he did not see that anything of practicable value to the Wilson Foundation could result from incorporation by act of Congress, or by incorporation in other ways under State laws. He said most of the funds contributed to the foundation had been paid "in the name of the matter, however, would be in the hands of officers of the foundation, including Hamilton Holt of New York city, one of the chief organizers. Secretary Mellon's letter to Senator Glass said:

"In accordance with my advice to you, Commissioner Blair was requested to reconsider the question as to the deductibility of contributions to the Woodrow Wilson Foundation. I am in receipt of his conclusions, copy of which is enclosed for your information.

"Under the circumstances as there outlined, I do not believe it possible under the law to reach a different conclusion. I shall be glad, however, to hold in abeyance a formal ruling on the question until the Foundation has had an opportunity to perfect its organization in a manner to meet the requirements of the law."

### Commissioner's Statement.

Commissioner Blair's statement to Secretary Mellon said:

"Pursuant to your request I have carefully reconsidered the question as to the deductibility under the revenue act of 1921, of contributions or gifts to the Woodrow Wilson Foundation.

"The revenue act of 1921 authorizes the deduction from income of contributions or gifts made to or for the use of any corporation, or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, no part of the net earnings of which inures to the benefit of any private stockholder or individual.

"The Woodrow Wilson Foundation is not a corporation, and from the data submitted it appears that no definite articles of association or bylaws have been adopted.

"The only activities engaged in thus far appear to be raising of funds by a committee from the income of which it is proposed to make awards to individuals or groups rendering meritorious services along broad and rather indefinite lines. The prospectus issued by the organizers state that:

"No attempt has been made at this time to settle the question of the permanent home of the foundation, specific kinds of public service to be awarded or other matters concerning its future course. The present organization has considered its task to be the creation of the foundation through the widespread support of the nation, leaving the board of trustees to determine the policies with which they will be vitally concerned."

### Precedents Discussed.

"In practically identical circumstances the Bureau of Internal Revenue in 1919 ruled that contributions to the Roosevelt Memorial Association, at that time unincorporated, and composed of a committee constituted to raise funds, were not deductible. The association was therefore incorporated by an act of Congress drafted specifically to meet the requirements of the income tax law, and the Bureau held that the express Congressional declaration must govern.

"The National McKinley Birthplace Memorial Association was incorporated by an act of Congress to erect and maintain a public library, relic rooms and auditorium for the purpose of the facts in this case are in no respect similar to those in the Wilson Foundation.

"If the Woodrow Wilson Foundation will follow the same course followed by the Roosevelt Memorial Association it will bring itself within the statute, and gifts or contributions made to it will be allowed as deductions from the incomes of the donors."

## ENRIGHT'S CHARGE AGAINST 'HERALD'

Tells Banton It Sent Girl on  
Streets to See What Police  
Would Do.

GIRL FREE LANCE WRITER

Not Assigned by This News-  
paper on Such a Mission as  
Outlined by Enright.

Richard E. Enright, Police Commissioner, made public last night through the New York City News Association a letter addressed to District Attorney Jacob H. Banton, asking him to investigate whether a young woman arrested on April 26 at Broadway and Fifty-ninth street had been sent out by the New York Herald to conduct herself as a prostitute for the purpose of finding out what police action would be taken.

The girl, according to the letter, was observed by Patrolman Quinlan of the Twenty-eighth Precinct accosting pedestrians and drivers of automobiles. When she was arrested, according to the letter, she gave her name as Anna Leon, but refused to give her address.

The letter further states that she was arraigned before Magistrate Norris on April 28, convicted and turned over to a probation officer. The Commissioner alleges the girl then gave the probation officer a telephone number that proved to be the number of The New York Herald, and that when the probation officer communicated with the person in charge of the office the request was made that the girl be discharged.

Commissioner Enright in his letter says that the employment and inducement of a young girl to conduct herself as a prostitute seems to be a violation of the section of the penal law dealing with prostitution. Since the girl apparently was a minor, the Commissioner says, the crime would be a particularly atrocious one. He asks District Attorney Banton to ascertain whether the proprietor of The New York Herald or any of his employees have committed violations of the penal law of the State.

The young woman to whom Commissioner Enright refers in his letter is not a member of the staff of The New York Herald. She is what is known as a "free lance" writer. She was sent on no such mission by this newspaper as that outlined by Commissioner Enright. Soon after her arrest she was released by Magistrate Norris when the true character of the effort which she had voluntarily undertaken was explained to Magistrate Norris by a representative of this newspaper.

### DEMOCRATIC WOMEN RALLY FOR MISS MILLS

Thousand at Luncheon to New  
Associate State Leader.

Democratic women rallied round Miss Harriet May Mills, recently appointed Associate State Chairman, at a luncheon given yesterday at the Pennsylvania Hotel. More than 1,000 of her political

sisters were present to pledge loyal support and financial assistance in the campaign for Governor. Miss Mills was the first woman to be nominated for the office of Secretary of State and Miss Annie Mathews, New York County Register, presided at the luncheon.

Among those present were Mr. and Mrs. Herbert C. Pell, Jr., Mrs. George H. Childs, Mrs. Abram L. Elkus, Mrs. John Blair, Mrs. Franklin D. Roosevelt, Mrs. Charles L. Tiffany, Mrs. John Sinnott, Mrs. John P. Hyman, Mrs. Ella O'Gorman Stanton, Mrs. Henry Moscovitz, Mrs. Daniel O'Day, Mrs. Leslie J. Tompkins, Mrs. William R. Hearst, Miss Martha Byrne, Miss Elisabeth Marbury, Mrs. Murray Hulbert and Mrs. E. Colbert of Albany.

Miss Marbury told the women that what they needed was to introduce New York city methods up-State if the Democrats are to win the State election in the autumn. "There is no use in kidding Miss Mills or ourselves about conditions up-State," she said. "It isn't going to be an easy fight and we've got to work. I'm strong for trying our methods in use here."

Miss Mills said that Democratic women had reached the point where they want to be admitted to the councils of their party. "One woman organizer is better than a number of unorganized women," she declared. "I've found that a good many women up-State don't vote as their husbands do."

Other speakers were Miss Byrne, Mrs. Elkus and Mrs. Colbert.

## JUDGE JOHNSTONE OFF MURPHY'S LIST

Will Not Get Tammany Sup-  
port for Nomination to Gen-  
eral Sessions.

Charles F. Murphy does not intend to support Judge Robert S. Johnstone for renomination to the Court of General Sessions, to which he was recently appointed by Gov. Miller, it was learned yesterday. Judge Johnstone is a Democrat, but not considered a "good Tammany man" in all the phrase implies.

This decision on the part of Mr. Murphy is likely to complicate the judicial situation in New York county this fall, however, when, according to report, Judge Morris Koenig, brother of S. S. Koenig, Republican county chairman, was named to the other Judgeship of General Sessions created by the last Legislature. And it had been hoped that fusion on both Judges could be effected between Republicans and Democrats. The hope for fusion also extended to the Supreme Court, where Justice Edward J. McGoldrick, Democrat, and Justice Robert Mc. Marsh, Republican, both appointed by Gov. Miller to fill vacan-

cies, will come up for reelection. There is no doubt that each will receive the nomination from his party and, if the fusion in General Sessions had gone through, it might have been possible to extend it to the Supreme Court.

The Tammany "Boss," it is said, has decided to name Justice Cornelius V. Collins of the Court of Special Sessions for the place held by Judge Johnstone. He was picked for the General Sessions bench by Murphy a year ago in place of Judge Alfred J. Talley, sitting by appointment of Gov. Alfred E. Smith. But it created such a rumormongering leader was forced to reverse himself. Justice Collins retired in favor of Judge Talley, with the promise he would get the next vacancy in General Sessions.

Although Tammany might be willing to endorse Judge Koenig in return for an endorsement for Justice Collins, it is not believed the Republicans would thus be a party to the turning down of an appointee of Gov. Miller.

Friends of Judge Johnstone are hoping they can bring enough pressure to bear in the Hall of the Tammany leader showed his position, clearly but not, however, when, according to report, Judge Johnstone suggested to the Hall he would be glad to consider names for secretary and personal attendant. Word came back, so the story goes, that Mr. Murphy was not at all interested.

City Magistrates Max S. Levine and George W. Simpson are candidates for the Democratic nomination to succeed Judge Koenig.

The terms of Supreme Court Justice Irving Lehman and Surrogate John P.

Cholan expire this year. Both are Democrats, and already their friends have started a movement for their endorsement by the Republicans.

There are two Supreme Court Justices to be elected in the Second Judicial District. Justice Abel E. Blackmar, whose term expires, reached the age limit. Justice Frank S. Gannon is sitting by appointment. His friends have suggested the Republicans fuse with the Democrats in order to insure his election. He will be renominated, but a Republican will probably be named to succeed Justice Blackmar. Among those mentioned are Lieut.-Gov. Jeremiah Wood of Nassau; Municipal Court Justice Edgar P. Hazleton and City Magistrate Thomas Doyle of Queens; Senator Charles C. Lockwood, Representative Warren I. Lee, Robert H. Wilson and W. R. Bayes of Kings.

### PROBST TELLS BANTON OF BEING 'SHANGHAIED'

August Probst, former butler at the Rolling Rock club, near Pittsburgh, who got a last minute reprieve from deportation, was taken before District Attorney Banton yesterday to repeat his story of his alleged kidnapping from the club by detectives.

Probst talked privately to Benjamin F. Schreiber, Assistant District Attorney, for two hours. He then was returned to Ellis Island by his lawyer, Bernard H. Sandler, and will be deported Wednesday unless the contrary ruling comes of his visit to Mr. Banton.

**Sales Days: TOMORROW  
(Monday) & Tuesday  
May 8 and 9, at  
2:30 P. M. Each Day in  
SILO'S  
Fifth Ave.  
Art Galleries  
40 E. 45th St.  
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WILL SELL  
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Antique & Modern  
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**Early American Mahogany  
and Maple Bureaus, Tables,  
Chairs, English & French  
Period Pieces, Rugs, etc.**

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Collections Offered This Season.  
Catalogues Mailed Upon Request  
ON WEDNESDAY  
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Wash  
Fabrics  
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### Wash Fabrics In the White Sale

The Dotted Swiss Makes You  
Long for a Frock of It

Colored dots on white grounds  
and white or colored dots on  
darker grounds. An Imported  
quality of exquisite beauty.  
yard, 1.15

Shimmering White Voile for  
That All-White Dress

Yes, you must have an all-  
white Frock this Summer or  
violate one of the most rigid  
fashion laws of the season. This  
white voile is sheer and soft.  
yard, 50c

### Colored Wash Dress Goods Ginghams, yard 38c

Imported and Domestic  
Ginghams in a host of clear  
true colorings.

Have You Seen the Wool-finish  
Cotton Homespuns?

They are quite the smart-  
est of the heavier Cotton fab-  
rics, and are available in many  
soft colors. yard 55c

Cotton Canton Crepe  
Is a Great Favorite

Dark, medium and pastel  
colors. yard, 65c  
(Second Floor)

### Exquisite Underthings of Silk or Lingerie Fabrics At Low White Sale Prices

Night Gowns of Crepe de Chine—  
entirely new and "different" in style,  
featuring unusual neck-lines. They are  
copies of expensive French models. 5.95

Envelope Chemises, enriched with  
Real Fillet or Real Irish adornment—  
also chic tailored models. 2.95

American-made Lingerie of Fine Nainsook—White and  
Pastel Tints

Night Gowns—various attractive  
models with or without sleeves, beauti-  
fully lace trimmed. 1.00, 1.50, 1.95 and 2.95

(Third Floor)

Radium Silk Vest Chemises with  
Real Fillet ornamentation—also hand-  
some embroidered models. 3.95

Step-in Drawers to match. 3.95

Step-in Drawers of Crepe de Chine,  
lavishly lace trimmed or tailored in  
effect. 2.95

Chemaloons with bloomer drawers. 1.50, 1.95 and 2.95

(Main Floor)

### White Silk Hose

For the Spring and Summer  
frock nothing quite  
equals White Silk Hosiery.

Women's White Silk Hosiery  
with lisle tops and soles. 1.95

Women's White Silk Hosiery  
with silk tops and reinforced  
soles. A superior quality hose. 2.75

Women's White Silk Hosiery  
with lisle tops and hand-embroidered  
black clocks. 2.75

Women's Silk Hose with open  
work clocks. 3.50

(Main Floor)

### "McCreery Silks"

Famous Over Half a Century—The Original Silk Shop

We have gone to greater lengths than ever before to  
present unequalled values in White Silks during the May  
White Sale.

### Some Representative Values

Rich White Sport Satin, 40 inches  
wide. yard, 2.45

White Country Club Sport Satin,  
40 inches wide. yard, 3.95

Heavy White Brocade Canton  
Crepe, designed for sport suits and  
skirts. 40 inches wide. yard, 4.95

A wide assortment of Lingerie Silks and exquisite Silks for Confirmation and  
Graduation Dresses.

(Second Floor)

### Charming Parisian Gowns

And Distinctive American Models

55.00

Canton Crepe, Crepe Romain,  
Crepe de Chine, Taffeta, Georgette,  
Foulard, Figured Crepes and  
Crepe Knit constitute the materi-  
als. Navy Blue, Black and all  
the fashionable colors. Sizes 36  
to 46.

Some are quite gorgeous—handsome-  
ly beaded or embroidered. Others  
are simpler of character, displaying  
ornamentation of hand-work, self-ma-  
terial, ribbon, or are completely veiled  
with Georgette.

(Fourth Floor)

### "Truhu" Silk Blouses

8.95

Made of this beautiful wash-  
able silk, these Blouses present  
unusually good value at their  
modest price. And they are  
ultra-smart in style! Some are  
severely tailored, finished with  
a grosgrain tie—others feature  
Peggy collars edged with pointed  
frills. White only.

(Fourth Floor)



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For the real boy who will devote most of the  
summer to hiking, camping, out-door sports and  
rough play we have specially designed a smart  
washable suit which allows perfect freedom of  
action and is made of a sturdy, durable khaki  
galatea.

Because of their practicability and dura-  
bility these suits are the standard of dress at  
seashore and mountain resorts and among the  
boys of the best known families in New York  
and throughout the United States.

For wear with our camp suits and outing  
suits we present complete assortments of  
sweaters, scout and camp shoes, and furnish-  
ings.

Camp suits for boys from 4 to 13 years with short sleeves and short  
trousers, \$6.75. Camp suits for boys from 7 to 15  
years with long sleeves and knicker-  
bockers, \$7.50.

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Those smart combina-  
tion effects that are chang-  
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There are dainty sandal  
effects with Spanish or  
Louis heels for "dressy"  
wear; Strap-Pumps for all-  
occasion wear, and saddle  
Oxfords and Strap-Oxfords  
for walking and sporting.

All the fashionable two-  
tone combinations.

(Second Floor)

